HOUSE APPROPRIATIONS SUBCOMMITTEE HEARING MARCH 2, 2006 – 9:00 A.M. REMARKS OF CHIEF JUSTICE CLIFFORD W. TAYLOR

GOOD MORNING, MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. I APPRECIATE THE OPPORTUNITY TO SPEAK WITH YOU TODAY ABOUT THE JUDICIAL BRANCH BUDGET PROPOSAL FOR FY 2007. WITH ME IS CHIEF JUDGE BILL WHITBECK OF THE COURT OF APPEALS, WHO WILL BE SPEAKING TO YOU IN A FEW MINUTES. I KNOW THE MEMBERS OF OUR STAFF ARE FAMILIAR TO YOU, SO I WILL DISPENSE WITH INTRODUCTIONS. THEY ARE HERE TO HELP ME ANSWER ANY QUESTIONS YOU MAY HAVE AFTER I MAKE MY REMARKS.

I WOULD ALSO LIKE TO NOTE, WITH GRATITUDE, THE COOPERATION AND TRUST THAT THE JUDICIAL BRANCH HAS ENJOYED IN WORKING WITH BOTH THE LEGISLATURE AND THE GOVERNOR'S OFFICE ON BUDGET ISSUES OVER THE YEARS. AS YOU KNOW, THE JUDICIARY REPRESENTS A SMALL PART OF THE STATE BUDGET, ALTHOUGH OUR RESPONSIBILITIES ARE GREAT. WE'VE WORKED VERY HARD, OVER THE YEARS – NOT ONLY TO CUT COSTS AND DO MORE WITH LESS, BUT TO SEE WHERE WE, THE JUDICIAL BRANCH, MIGHT HELP THE STATE IDENTIFY SOURCES OF REVENUE. TO THAT END, WE HAVE FOCUSED MORE RESOURCES AND EFFORT ON COURT COLLECTIONS, ABOUT WHICH MORE LATER.

THE MATERIALS YOU HAVE BEFORE YOU ARE SELF-EXPLANATORY, BUT I WOULD LIKE TO EMPHASIZE A FEW POINTS.

FIRST, YOU'LL NOTE THAT THE GOVERNOR'S RECOMMENDATION PROVIDES A NET INCREASE TO THE GENERAL FUND OF 1.6 PERCENT OR ABOUT \$2.5 MILLION. OF THIS NET INCREASE, ALMOST \$1 MILLION IS RELATED TO INCREASES IN JUDICIAL SALARIES WITH THE MAJORITY OF THIS RELATED TO 2004 LEGISLATION THAT CONVERTS SEVEN PART-TIME PROBATE JUDGES TO FULL-TIME STATUS. THE REMAINDER IS TO FUND PROJECTED ECONOMIC INCREASES IN JUDICIAL OPERATIONS.

I WOULD POINT OUT, JUST FOR CLARIFICATION, THAT APPROXIMATELY TWO-THIRDS OF OUR GENERAL FUND APPROPRIATION GOES TO TWO ITEMS OVER WHICH THE JUDICIAL BRANCH HAS NO CONTROL: JUDICIAL SALARIES AND PAYMENTS TO LOCAL GOVERNMENTS BY STATUTORY FORMULA. THE REMAINING ONE-THIRD SUPPORTS JUDICIAL BRANCH OPERATIONS: THE SUPREME COURT, COURT OF APPEALS, STATE COURT ADMNISTRATIVE OFFICE, AND SO ON. WE DO APRECIATE THAT ECONOMIC INCREASE, AS IT IS NEEDED TO COVER THE HIGHER COSTS OF HEALTH CARE AND RETIREMENT, AND WE'D ALSO LIKE TO PROVIDE SOME COST OF LIVING INCREASE FOR JUDICIARY EMPLOYEES WHO DID NOT RECEIVE THE 1 PERCENT COST OF LIVING ADJUSTMENT THAT MOST EXECUTIVE BRANCH EMPLOYEES DID AS OF OCTOBER

1, 2005. AT THIS TIME, WE'RE TRYING TO DETERMINE WHETHER WE WILL HAVE THE FINANCIAL WHEREWITHAL TO GIVE THE 1 PERCENT INCREASE SCHEDULED FOR APRIL 1 THIS YEAR.

I WOULD ALSO POINT OUT THAT THE GOVERNOR'S RECOMMENDATION CALLS FOR A PROGRAM REDUCTION OF \$500,000. IN AN IDEAL WORLD, I WOULD LIKE TO HAVE THAT AMOUNT RESTORED. I CERTAINLY ASK THAT THERE BE NO FURTHER PROGRAM REDUCTIONS.

YOU ARE OF COURSE AWARE THAT BILLS HAVE BEEN REPORTED OUT OF THE HOUSE WHICH WOULD ADD SIX NEW CIRCUIT JUDGESHIPS. THERE IS NO FUNDING FOR THESE PROPOSED JUDGESHIPS IN THE GOVERNOR'S RECOMMENDATION; PLEASE NOTE THAT THE ADDITIONAL JUDICIAL SALARIES WOULD TOTAL ABOUT \$720,000.

THE COURT HAS BEEN VERY APPRECIATIVE OF THE FACT THAT DRUG COURT FUNDING HAS REMAINED SO STABLE OVER THE PAST SEVERAL YEARS, AND I THANK THE GOVERNOR FOR CONTINUING TO SUPPORT THE DRUG COURTS IN THE RECOMMENDED BUDGET. MICHIGAN IS CERTAINLY A NATIONAL LEADER IN THE DRUG COURT MOVEMENT, AND I AM PROUD TO REPORT THAT MICHIGAN HAS 62 OPERATING AND 10 PLANNED DRUG COURTS. THIS IS REALLY AN EXCITING MOVEMENT, HOLDING AS IT DOES THE PROMISE OF REDUCING RECIDIVISM AND INCARCERATION COSTS. I WOULD ASK YOU TO KEEP THIS IN MIND FOR THE FUTURE, HOWEVER: THERE IS THE POSSIBILITY THAT FEDERAL BYRNE FUNDING MAY BE ELIMINATED IN THE FEDERAL FY 2007 BUDGET, WHICH WOULD RESULT IN A LOSS OF \$3MILLION FOR MICHIGAN DRUG COURTS. IF THAT HAPPENS, STATE DRUG COURTS ARE GOING TO BE SIGNIFICANTLY MORE DEPENDENT ON STATE FUNDING, SO BE AWARE THAT I MAY VERY WELL BE ASKING YOU FOR MORE FUNDING -- PERHAPS THROUGH AN FY 2007 SUPPLEMENTAL -- IF THE BYRNE FUNDING IS INDEED ELIMINATED.

LIKE MAURA CORRIGAN, WHO PRECEDED ME AS CHIEF JUSTICE, I VIEW THIS HEARING TODAY NOT ONLY AS MY OPPORTUNITY TO TALK TO YOU ABOUT THE NEXT FISCAL YEAR'S JUDICIARY BUDGET, BUT ALSO TO ACCOUNT TO YOU FOR THE USE WE'VE MADE OF PAST FUNDING. IN THAT REGARD, I'D LIKE TO OFFER TWO EXAMPLES OF OUR STEWARDSHIP: COLLECTIONS AND TECHNOLOGY.

I MENTIONED EARLIER THE WORK THAT'S BEING DONE WITH COURT COLLECTIONS. IN PART THIS INVOLVES RAMPING UP ENFORCEMENT, BUT THE COLLECTIONS EFFORT GOES DEEPER THAN THAT: IT REQUIRES CULTURAL CHANGE. IN THE PAST, THERE WERE MANY WHO SIMPLY DID NOT SEE COLLECTIONS AS A JUDICIAL BRANCH RESPONSIBILITY. THAT ATTITUDE IS WRONG, IN MY OPINION, FROM A JURIDICAL STANDPOINT. IF COURTS IMPOSE FINANCIAL SANCTIONS, BUT DO NOT ENFORCE THEM, THE COURTS ARE GOING TO LOSE CREDBILITY WITH THE PUBLIC. THE RULE OF LAW EITHER MEANS

SOMETHING OR IT DOESN'T: WHETHER THE PENALTY IS JAIL TIME OR A FINE, IT'S NOT UP TO OFFENDERS TO DECIDE WHETHER THEY'RE GOING TO COMPLY WITH THE COURT'S ORDER. SO EFFECTIVE COLLECTIONS SUPPORT RESPECT FOR THE RULE OF LAW.

SECOND, AND MORE PRACTICALLY, COURT COLLECTIONS ARE A RESPONSBILITY THE JUDICIARY OWES TO THE PEOPLE OF MICHIGAN. AS YOU KNOW, MONEY COLLECTED BY THE COURTS SUPPORTS THE CRIME VICTIMS' RIGHTS FUND, LAW ENFORCEMENT, LOCAL GOVERNMENTS, AND LIBRARIES, TO NAME A FEW.

AS YOU'LL SEE IN YOUR MATERIALS, THE SUPREME COURT HAS APPROVED A STATEWIDE COLLECTIONS STRATEGY, WHICH HAS MULTIPLE PRONGS: EDUCATION, DATA COLLECTION, TRAINING, AND BEST PRACTICES. WE ARE FORTUNATE TO HAVE A BLUE-RIBBON ADVISORY COMMITTEE, WITH JUDGES AND COURT STAFF FROM EVERY PART OF THE STATE, TO HELP US IMPLEMENT THIS STRATEGY, AND, IMPORTANTLY, PROMOTE IT WITH THEIR COLLEAGUES. WE PLAN TO HAVE ALL COURTS IMPLEMENTING AN APPROVED COLLECTIONS PROGRAM BY THE END OF 2009.

ANOTHER AREA WHERE WE'VE MADE GREAT STRIDES IS COURT TECHNOLOGY, THANKS IN LARGE PART TO THE JUDICIAL TECHNOLOGY IMPROVEMENT FUND, WHICH AS YOU KNOW IS SUPPORTED BY THE CIVIL FILING FEE FUND. MY OWN GRASP OF TECHNOLOGY IS QUITE BASIC: I KNOW THAT THOSE PARTS OF THE COMPUTER SYSTEM THAT YOU CAN HIT WITH A HAMMER ARE CALLED HARDWARE, AND THAT OTHER STUFF THAT YOU CAN ONLY SWEAR AT IS CALLED SOFTWARE. BUT THE BENEFITS ARE CLEAR EVEN TO A LAYPERSON LIKE ME, AND ONE AREA WHERE WE SEE BENEFITS IS LAW ENFORCEMENT. AS OF APRIL 2005, THROUGH THE JUDICIAL NETWORK PROJECT, ALMOST ALL STATE TRIAL COURTS NOW ELECTRONICALLY REPORT FELONY DISPOSITIONS TO THE STATE POLICE CRIMINAL HISTORY SYSTEM. THIS INFORMATION IS BEING UPDATED IN REAL TIME, AS OPPOSED TO A WEEK OR MORE AFTER THE FACT. MOREOVER, WE'RE ON TRACK TO ELECTRONICALLY SUBMIT ALL CRIMINAL DISPOSITIONS, INCLUDING MISDEMEANORS, BY THE STATE POLICE'S OCTOBER 2006 DEADLINE.

OTHER PROJECTS INCLUDE A JUDICIAL DATA WAREHOUSE, A STATEWIDE TRIAL COURT CASE MANAGEMENT SYSTEM, AND ELECTRONIC FILING AND TICKET PAYMENT. THESE LAST TWO ITEMS ARE OF SPECIAL INTEREST TO THE PUBLIC, WHICH INCREASINGLY CONDUCTS BUSINESS TRANSACTIONS THROUGH THE INTERNET. WE HAVE PILOT COURTS EXPLORING ONLINE TICKET PAYMENT AND OTHERS OFFERING ELECTRONIC FILING OF COURT DOCUMENTS. THESE ARE EXCITING DEVELOPMENTS WITH ENORMOUS IMPLICATIONS FOR THE PUBLIC'S EASE OF ACCESS TO THE JUSTICE SYSTEM.

I WILL BE GLAD TO TAKE ANY QUESTIONS YOU MAY HAVE FOR ME. THANK YOU AGAIN FOR THIS OPPORTUNITY TO ADDRESS YOU.
